https://www.financial-planning.com/list/the-top-20-small-cap-etfs-of-the-past-decade

The top 20 small-cap ETFs of the past decade
By Rob Burgess
August 20, 2024 6:32 PM

Small-cap funds may be an attractive element of a diversified portfolio, but you wouldn't necessarily know that looking at the data from this year.

The Russell 2000, the commonly used index to track small-cap stocks, has been up only 2.3% so far this year, according to recent data. Added to that, if the Federal Reserve isn't able to negotiate a so-called soft landing, these funds may be more susceptible to inflation and recession fears than their large-cap peers.

Taking a longer view, several small-cap exchange-traded funds — which track companies between $250 million and $2 billion — have had an outstanding run over the past 10 years.

For example, top performer Invesco S&P SmallCap Momentum ETF (XSMO), with a fund size of $1.18 billion, boasted a one-year return of 32.06% and a 10-year annualized return of 11.65%.

Small-caps can continue to rally as the Fed readies to cut interest rates, said Noah Damsky, principal at Marina Wealth Advisors in Los Angeles.

"Our models are currently market-weight to small caps, but we'll explore adding as rate cuts gain steam and the prospects for small-caps improve," he said. "Given our focus on principal protection, we'd rather miss out on the rally from the bottom if it means we are more confident in its out-performance going forward."

Andrew Herzog, a wealth advisor at The Watchman Group in Plano, Texas, said these stocks are priced lower than usual compared to their historical norms.

"These lower valuations can be a sign of great entry points for long-term investors, depending on your risk tolerance and goals," he said.

Scroll through the cardshow below for the top 20 small-cap funds of the past decade, as ranked by their 10-year returns. All data is from Morningstar Direct and is current as of Aug. 2, 2024.

20 Schwab Fundamental U.S. Small CompanyETF (FNDA

Fund size	**$8.79 billion**
Expense ratio	**0.25**
1-Year return	**13.41%**
10-Year annualized return	**9.36%**

19 SPDR® Portfolio S&P 600™ Sm Cap ETF (SPSM)

Fund size	**$11.30 billion**
Expense ratio	**0.03**
1-Year return	**14.09%**
10-Year annualized return	**9.38%**

18 WisdomTree US SmallCap Qual Div Gr ETF (DGRS)

Fund size	**$392.54 million**
Expense ratio	**0.38**
1-Year return	**19.15%**
10-Year annualized return	**9.43%**

17 Invesco FTSE RAFI US 1500 Small-Mid ETF (PRFZ)

Fund size	**$2.48 billion**
Expense ratio	**0.39**
1-Year return	**14.97%**
10-Year annualized return	**9.51%**

16 SPDR® SSGA US Small Cap Low Volatil ETF (SMLV)

Fund size	**$197.75 million**
Expense ratio	**0.12**
1-Year return	**19.31%**
10-Year annualized return	**9.67%**

15 First Trust Dow Jones Sel MicroCap ETF (FDM)

Fund size	**$183.93 million**
Expense ratio	**0.60**
1-Year return	**13.54%**
10-Year annualized return	**9.74%**

14 Vanguard S&P Small-Cap 600 ETF (VIOO)

Vanguard®

Fund size	**$4.43 billion**
Expense ratio	**0.10**
1-Year return	**14.05%**
10-Year annualized return	**9.91%**

13 iShares Core S&P Small-Cap ETF (IJR)

iShares® by BlackRock

Fund size	**$84.47 billion**
Expense ratio	**0.06**
1-Year return	**14.04%**
10-Year annualized return	**9.93%**

12 Invesco S&P MidCap Value with Momt ETF (XMVM)

Fund size	$248.02 million
Expense ratio	0.39
1-Year return	17.64%
10-Year annualized return	10.06%

11 First Trust Small Cap Gr AlphaDEX® ETF (FYC)

Fund size	$296.81 million
Expense ratio	0.70
1-Year return	11.92%
10-Year annualized return	10.09%

10 JPMorgan Market Expansion Enh Eq ETF (JMEE)

J.P.Morgan

Fund size	**$1.23 billion**
Expense ratio	**0.24**
1-Year return	**16.76%**
10-Year annualized return	**10.09%**

9 Invesco Dorsey Wright SmallCap Momt ETF (DWAS)

Invesco

Fund size	**$921.89 million**
Expense ratio	**0.60**
1-Year return	**12.52%**
10-Year annualized return	**10.37%**

8 Invesco S&P MidCap 400® Pure Value ETF (RFV)

Fund size	$297.98 million
Expense ratio	0.35
1-Year return	10.81%
10-Year annualized return	10.53%

7 iShares S&P Small-Cap 600 Growth ETF (IJT)

iShares® by BlackRock

Fund size	$6.37 billion
Expense ratio	0.18
1-Year return	18.10%
10-Year annualized return	10.61%

6 Vanguard S&P Small-Cap 600 Growth ETF (VIOG)

Vanguard®

Fund size	**$946.20 million**
Expense ratio	**0.15**
1-Year return	**18.10%**
10-Year annualized return	**10.65%**

5 SPDR® S&P 600 Small Cap Growth ETF (SLYG)

SPDR
STATE STREET GLOBAL ADVISORS

Fund size	**$3.50 billion**
Expense ratio	**0.15**
1-Year return	**18.14%**
10-Year annualized return	**10.70%**

4 Invesco S&P MidCap 400® GARP ETF (GRPM)

Fund size	**$510.82 million**
Expense ratio	**0.35**
1-Year return	**29.35%**
10-Year annualized return	**10.93%**

3 Invesco S&P SmallCap 600 Revenue ETF (RWJ)

Fund size	**$1.58 billion**
Expense ratio	**0.39**
1-Year return	**14.00%**
10-Year annualized return	**11.08%**

2 Invesco S&P SmallCap Value with Momt ETF (XSVM)

Fund size	**$853.59 million**
Expense ratio	**0.36**
1-Year return	**18.86%**
10-Year annualized return	**11.35%**

1 Invesco S&P SmallCap Momentum ETF (XSMO)

Fund size	**$1.18 billion**
Expense ratio	**0.39**
1-Year return	**32.06%**
10-Year annualized return	**11.65%**